GOVERNMENT OF ANDHRA PRADESH
A B S T R A C T

Accrual Based Accounting System in Urban Local Bodies – Extension of Municipal Accounting and Audit Reforms Cell and Municipal Accounts and Audit Coordination Committee constituted under 13th Finance Commission conditions in the O/o C&DMA to strengthen Accounts and Audits for period of 3 years from 01.04.2015 onwards – Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (UBS) DEPARTMENT

G.O.MS.No. 177 Dated: 07.08.2015

Read the following:

1. G.O.Ms.No.270, MA & UD (UBS) Department, dated 15.07.2011.
2. From the C&DMA,A.P., Hyderabad Lr.Roc.No.8122/2015-B3, dated 26.03.2015.

<>0<>

ORDER:

In the G.O. 1st read above, orders were issued among other things, for creation of a Municipal Accounts and Audit Reforms Cell (MAARC) for functioning in the office of C&DMA with (a) 3 Senior Auditors/Technicians b) 3 Data Entry Operators c) 1 Supervising Officer in the cadre of Audit Officer /Assistant Audit Officer for strengthening Accounts and Audit in Urban Local Bodies as envisaged in the 13th Finance Commission. In para 8 (v) of the said G.O., it was ordered that the MAARC Cell shall for initially be in place during 13th Finance Commission period. A Municipal Accounts and Audit Coordination Committee (MAACC) was also constituted in the said G.O. with the members therein to review the progress of Accounts and Audit of ULBs, functioning of MAARC etc.

2. The Commissioner and Director of Municipal Administration in his letter 2nd read above, has reported to Government that the term of 13th Finance Commission was expired by 31.03.2015 and the 14th Finance Commission terms was commenced from 01.04.2015 to 31.03.2019 and that the continuation of MAARC Cell and MAACC Committee are very much required for the following reasons.

1) According to the recommendations of the previous Finance Commissions, particularly 13th Finance Commission and National Municipal Accounting Manual and under JNNURM reforms, maintenance of accounts by computerization in urban local bodies is mandatory one and key reform.

2) Sustainability of developed system is important.

3) As part of urbanization the major Grampanchayats have been upgraded to Nagarpanchayats/ Municipalities as per their eligibility as during last three years 23 Nagarpanchayats and 3 Municipalities constituted. Hence in those Urban Local Bodies, Accounts and Audits are to be prepared and put them on par with the existing Urban Local Bodies.

4) Moreover the period of 14th Finance Commission relates to Urban Local Bodies was commenced from 01.04.2015 onwards in which major activities are involved.

3. The Commissioner and Director of Municipal Administration, Hyderabad has requested the Government to extend the period of Municipal Accounts and Audit Reform Cell (MAARC) created in the O/o C&DMA, Andhra Pradesh, Hyderabad from 01.04.2015 onwards for a period of 3 years with (a) 2 Senior Auditors/ Technicians (b) 2 Data Entry Operators and (c) 1 Supervising Officer in the cadre of Audit Officer/ Assistant Audit Officer and also MAACC with the same modalities as earlier ordered in the G.O. Ms.No.270, dated 15.07.2011, so as to enable to implement the Accounts and Audits in the systematic manner.

Contd…2..

4. The Government after careful examination of the matter hereby extend the period of Municipal Accounts and Audit Reform Cell (MAARC) Cell, created in the O/o C&DMA, A.P., Hyderabad in the G.O.1st read above for further period of three (3) years w.e.f. 01.04.2015 onwards with a) Two (2) Senior Auditors/ Technicians (b) Two (2) Data Entry Operators and (c) One (1) Supervising Officer in the cadre of Audit Officer/ Assistant Audit Officer with the same nature and scope of work as indicated in para 8 of the G.O. 1st read above. The expenditure shall be met from the Department Budget only.

5. Government also order for continuance the MAACC with the same modalities as indicated in the G.O. 1st read above for three (3) years from 01.04.2015 onwards.

6. The Director of Municipal Administration, Andhra Pradesh, Hyderabad shall take further necessary action in the matter accordingly.

7. This order issues with the concurrence of Finance Department vide their U.O.No.4699/57/FC/2015, dated 09.06.2015.

LAV AGARWAL
SECRETARY TO GOVERNMENT (I/c)

To
The Director of Municipal Administration, A.P., Hyderabad.
The Project Director, APMDP, A.P., Hyderabad.
The Urban Governance Expert, APUFIDC Ltd., O/o DMA, A.P., Hyderabad.
The Joint Director, (ULB Accounts), O/o DMA, A.P., Hyderabad.
The MIS Expert, APUFIDC/XIII FC Cell, O/o DMA, Hyderabad.
The Deputy Director, State Audit Department, O/o Director, State Audit, Hyderabad.
Copy to:
The Finance (FC) Department.
The P.S. to Hon'ble Minister for (MA).
The P.S. to Hon'ble M(Finance).
The P.S. to Principal Secretary to Government, MA & UD Department.
The P.S. to Secretary to Government, MA & UD Department.
The P.A. to Deputy Secretary to Government, MA & UD Department.
Sf/sc

//FORWARDED BY ORDER//

ASSISTANT DIRECTOR